

**Engagement sessions on Recycling Fund**

The Hong Kong Productivity Council (HKPC) conducted three engagement sessions in April 2015 to gauge the industry's views on the Recycling Fund. These sessions were attended by 157 participants from various sub-sectors of the recycling industry. A breakdown on the number of the participants by sub-sectors is as follows -

<b>Sub-sector of recycling industry</b>	<b>No. of participant</b>
<b>Enterprise</b>	
Collector, recycler and trader	11
Collector and recycler	23
Collector and trader	3
Collector	7
Recycler	5
Trader	3
Other recycling enterprise *	69
Sub-total	121
<b>Non-profit organization</b>	
Trade association	17
Green group	10
Professional body	5
Public body	3
Training centre	1
Sub-total	36
<b>Total</b>	<b>157</b>

\* Refers to recycling enterprises which did not provide detailed information of their business

**Summary of major views from the participants  
and responses from the HKPC**

<b>View from recycler</b>	<b>Response from HKPC</b>
<ul style="list-style-type: none"> <li>● Most recyclers were small enterprises and they were generally not familiar with the application procedures. Some might encounter difficulties in drawing up their proposals.</li> </ul>	<ul style="list-style-type: none"> <li>● HKPC, as the secretariat of the Recycling Fund, would designate sufficient staff to assist recyclers in the application process. A hotline would be set up.</li> <li>● User-friendly application forms, submission guidelines would be provided to applicants. Relevant information would be disseminated in a one-stop webpage.</li> <li>● Briefings would be organized regularly to facilitate recyclers to better understand the scope of the Recycling Fund and answer their enquiries on the application procedures and eligibility requirements.</li> </ul>
<ul style="list-style-type: none"> <li>● SME recyclers might wish to apply for smaller amount of funding to expand their capacity. There should be no minimum threshold on the application amount for the proposals.</li> </ul>	<ul style="list-style-type: none"> <li>● The Recycling Fund would be granted to enterprises on a matching basis to support projects that demonstrate strong potential to upgrade the recycler's processing capacity and efficiency. No minimum application amount would be set.</li> </ul>
<ul style="list-style-type: none"> <li>● Recyclers might wish to apply the Recycling Fund to reduce the operation costs associated with carrying out waste collection, segregation of mixed recyclables.</li> </ul>	<ul style="list-style-type: none"> <li>● Recycling enterprises might use the Recycling Fund to enhance their capability. Their funding proposals might include installing new facilities or upgrade existing hardware or software to boost efficiency in the waste separation and collection process.</li> </ul>

View from recycler	Response from HKPC
<ul style="list-style-type: none"> <li>● The Recycling Fund should be used to attract new entrants to the recycling industry or retain skilled and trained staff.</li> </ul>	<ul style="list-style-type: none"> <li>● NPOs might apply for the Recycling Fund for organizing trainings courses or formulating certification schemes for the industry to enhance overall operational standards &amp; productivity. The subjects of these courses and schemes might include occupational health, safety and environmental compliance issues. This could assist in building a safer and better working environment to attract new entrants and retain staff.</li> </ul>
<ul style="list-style-type: none"> <li>● The Recycling Fund should help boost local demand for recycled products.</li> </ul>	<ul style="list-style-type: none"> <li>● Recycling enterprises might use the Recycling Fund to develop, commercialize, promote recycled products to the market and improve the outlet channels of recycled products.</li> </ul>
<ul style="list-style-type: none"> <li>● To provide incentives for enterprises to submit proposals, recyclers should not be required to share the revenue generated from the funded project with the government.</li> </ul>	<ul style="list-style-type: none"> <li>● The primary aim of the Recycling Fund was to divert more waste from landfill disposal for recycling through upgrading the capability of the recycling industry. There were no profit sharing requirements for funded projects. The arrangement could bring about stronger incentives for recyclers to submit promising proposals.</li> </ul>
<ul style="list-style-type: none"> <li>● A robust mechanism should be put in place to monitor the progress of funded projects to ensure public money was not misused.</li> </ul>	<ul style="list-style-type: none"> <li>● A robust project monitoring mechanism would be put in place. Grantees would be required to submit progress reports and audited accounts by independent auditors to HKPC and Advisory Committee on Recycling Fund. HKPC would also conduct on-site checking, including surprise and / or routine inspections. Disbursements to successful</li> </ul>

<b>View from recycler</b>	<b>Response from HKPC</b>
	<p>applicants would be made at designated stages of the projects on a milestone basis. The final payment would only be disbursed upon satisfactory completion of the project and submission of all reports.</p>
<ul style="list-style-type: none"> <li>● Early establishment of the fund was desirable.</li> </ul>	<ul style="list-style-type: none"> <li>● Subject to funding approval from the Finance Committee of the Legislative Council, the Recycling Fund would be launched as early as possible.</li> </ul>